Service Date: October 17, 1991

DEPARTMENT OF PUBLIC SERVICE REGULATION BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MONTANA

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IN THE MATTER OF The Application)	UTILITY DIVISION
by the MONTANA POWER COMPANY for)	
Authority to Increase Rates for)	DOCKET NO. 90.6.39
Natural Gas and Electric Service.)	ORDER NO. 5484m

SECOND AMENDED FINAL ORDER

BACKGROUND

On July 19, 1991 the Commission issued Order No. 5484k, the Final Order on revenue requirements in this Docket. On August 28, 1991 the Commission issued a first Amended Final Order (Order No. 5484l) in this Docket modifying certain parts of the "Order" section of Order No. 5484k.

It has recently come to the Commission's attention that the revenue requirement established in Order No. 5484k includes a payment of \$5,250 from Montana Power Company (MPC) to the Western Environmental Trade Association (WETA). This payment received no scrutiny in this case, and the Commission finds that, absent a convincing showing otherwise, it is inappropriate to reflect this payment in rates. Therefore, the Commission finds that MPC's revenue requirement should be reduced accordingly.

CONCLUSIONS OF LAW

The Applicant, Montana Power Company, furnishes electric and gas service for consumers in the State of Montana, and is a "public utility" under the regulatory jurisdiction of the Montana Public Service Commission. Section 69-3-101, MCA.

The Montana Public Service Commission properly exercises jurisdiction over Montana Power Company's rates and operations. Section 69-3-102, MCA, and Title 69, Chapter 3, Part 3, MCA.

The Montana Public Service Commission has provided adequate public notice of all proceedings, and an opportunity to be heard to all interested parties in this Docket. Sections 69-3-303, 69-3-104, MCA, and Title 2, Chapter 4, MCA.

The rate level approved herein is just, reasonable, and not unjustly discriminatory. Sections 69-3-330 and 69-3-201, MCA.

ORDER

NOW THEREFORE IT IS ORDERED that the increase in Montana Power Company annual Montana jurisdictional electric revenues, established in Order No. 5484k, is reduced by \$4,410 to equal \$39,835,297; the increase in annual natural gas revenues, established in Order No. 5484k, is reduced by \$840 to equal \$6,165,188.

DONE AND DATED this 16th day of October, 1991 by a vote of 4-1.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

ŀ	HOWARD L. ELLIS, Chairman
Ī	DANNY OBERG, Vice Chairman
Ī	BOB ANDERSON, Commissioner
-	JOHN DRISCOLL, Commissioner
	WALLACE W. "WALLY" MERCER, Commissioner (Voting to Dissent)

ATTEST:

Ann Peck Commission Secretary

(SEAL)

NOTE:

Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. <u>See</u> 38.2.4806, ARM.